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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

DOCKETED

JUN 20 2008

MIKE GLEASON, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

DOCKETED BY

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In the matter of)

TREND MANAGEMENT GROUP, INC., a)
Nevada corporation,)SCOTT RENNY BOGUE, SR. and)
ARLENE JANE BOGUE, husband and)
wife,)RYAN JAMES HERNDON and LORI)
DARLENE HERNDON (a.k.a. LORI J.)
HERNDON a.k.a. LORI JORDAN),)
husband and wife,)TREND CAPITAL, LLC, an Arizona)
limited liability company,)LINDA BRYANT JORDAN (a.k.a. LINDA)
VAN VRANKEN a.k.a. LINDA JORDAN-)
VAN VRANKEN), a married person,)
individually and doing business as THE)
TREND GROUP, INC.,)RUSSELL LANGDON VAN VRANKEN,)
husband of LINDA BRYANT JORDAN,)EASY STREET FINANCIAL GROUP,)
INC., an Arizona corporation,)CHRISTOPHER ELLIS MARX and JANE)
DOE MARX, husband and wife,)SCOT ALAN OGLESBY and LORI ANN)
OGLESBY, husband and wife,)

Respondents.)

DOCKET NO. S-020476A-06-0557

DECISION NO. 70391

**ORDER TO CEASE AND DESIST, ORDER
OF RESTITUTION, ORDER FOR
ADMINISTRATIVE PENALTIES, AND
CONSENT TO SAME BY:**

**LORI DARLENE JORDAN (a.k.a. LORI
HERNDON)**

1 Respondent LORI DARLENE JORDAN (a.k.a. LORI HERNDON) ("Respondent") elects
2 to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities
3 Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease
4 and Desist, Order of Restitution, Order for Administrative Penalties, and Consent to Same by: Lori
5 Darlene Jordan (a.k.a. Lori Herndon) ("Order"). Respondent admits the jurisdiction of the Arizona
6 Corporation Commission ("Commission"); neither admits nor denies the Findings of Fact and
7 Conclusions of Law contained in this Order; and consents to the entry of this Order by the
8 Commission.

9 **I.**

10 **FINDINGS OF FACT**

11 1. Respondent was at all relevant times the spouse of Respondent RYAN JAMES
12 HERNDON ("HERNDON"). Respondent was joined in this action under A.R.S. § 44-2031(C)
13 solely for purposes of determining the liability of the marital community.

14 2. At all relevant times, HERNDON was acting for the benefit and in furtherance of the
15 marital community.

16 3. On April 29, 2008, the Commission entered the Order to Cease and Desist, Order of
17 Restitution, Order for Administrative Penalties, and Consent to Same by: Ryan James Herndon,
18 Decision No. 70321 (the "HERNDON ORDER").

19 4. In the HERNDON ORDER, the Commission ordered HERNDON to pay restitution
20 and administrative penalties as a result of his conduct in violating A.R.S. § 44-1841, § 44-1842, and
21 § 44-1991.

22 **II.**

23 **CONCLUSIONS OF LAW**

24 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
25 Arizona Constitution and the Securities Act.

1 2. HERNDON offered or sold securities within or from Arizona within the meaning of
2 A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3 3. HERNDON violated A.R.S. §44-1841 by offering or selling securities that were
4 neither registered nor exempt from registration.

5 4. HERNDON violated A.R.S. §44-1842 by offering or selling securities while neither
6 registered as a dealer or salesman nor exempt from registration.

7 5. HERNDON violated A.R.S. § 44-1991 by (a) employing a device, scheme, or
8 artifice to defraud, (b) making untrue statements or misleading omissions of material facts, and (c)
9 engaging in transactions, practices, or courses of business that operate or would operate as a fraud
10 or deceit.

11 6. HERNDON'S conduct is grounds for an order of restitution pursuant to A.R.S. §
12 44-2032.

13 7. HERNDON'S conduct is grounds for administrative penalties under A.R.S. §44-
14 2036.

15 8. HERNDON'S conduct binds the marital community pursuant to A.R.S. § 25-214.

16 III.

17 ORDER

18 THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondent's
19 consent to the entry of this Order, attached and incorporated by reference, the Commission finds
20 that the following relief is appropriate, in the public interest, and necessary for the protection of
21 investors:

22 IT IS ORDERED that Respondent comply with the attached Consent to Entry of Order.

23 IT IS FURTHER ORDERED that the marital community is, jointly and severally with
24 HERNDON liable for the payment of restitution as required by the HERNDON ORDER. Nothing
25 contained in this Order shall obligate Respondent to use or make payments from her sole and
26 separate earnings or property that would not otherwise by law be available to satisfy the restitution

1 required by the HERNDON ORDER. Any amount outstanding shall accrue interest at the rate of
2 10% per annum from the date of this Order until paid in full. Any restitution paid under this
3 provision shall be paid directly to Receiver Peter S. Davis, appointed in Case No. CV2006-16822,
4 Superior Court of Arizona – Maricopa County.

5 IT IS FURTHER ORDERED that the marital community is, jointly and severally with
6 HERNDON liable for the payment of the administrative penalty required by the HERNDON
7 ORDER. Nothing contained in this Order shall obligate Respondent to use or make payments
8 from her sole and separate earnings or property that would not otherwise by law be available to
9 satisfy the administrative penalty required by the HERNDON ORDER. Payment shall be made to
10 the "State of Arizona." Any amount outstanding shall accrue interest at the rate of 10% per annum
11 from the date of this Order until paid in full. The payment obligation for this administrative
12 penalty is subordinate to any restitution obligation ordered herein and shall become immediately
13 due and payable only after restitution payments have been paid in full or upon default with respect
14 to the restitution obligation.

15 For purposes of this Order, a bankruptcy filing by Respondent shall be an act of default. If
16 Respondent does not comply with this Order, any outstanding balance of restitution and penalties
17 may be deemed in default and shall be immediately due and payable.

18 IT IS FURTHER ORDERED that, if Respondent fails to comply with this order, the
19 Commission may bring further legal proceedings against Respondent, including application to the
20 superior court for an order of contempt.

21 ...

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23 ...

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26 ...

1 IT IS FURTHER ORDERED that this Order shall become effective immediately.

2 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

3
4 Samuel H. McLean
5 CHAIRMAN

William J. Miller
COMMISSIONER

6
7 Bryan Hatch-Miller
COMMISSIONER

R. M. [Signature]
COMMISSIONER

Gary [Signature]
COMMISSIONER

8
9 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,
10 Executive Director of the Arizona Corporation
11 Commission, have hereunto set my hand and caused the
12 official seal of the Commission to be affixed at the
13 Capitol, in the City of Phoenix, this 20th day of
14 June, 2008.

15 Brian C. McNeil
16 Executive Director

17
18 DISSENT

19
20 DISSENT

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23 This document is available in alternative formats by contacting Linda Hogan, ADA Coordinator,
24 voice phone number 602-542-3931, e-mail lhogan@azcc.gov.

25 (ASL)

CONSENT TO ENTRY OF ORDER

1
2 1. Respondent admits the jurisdiction of the Commission over the subject matter of
3 this proceeding. Respondent acknowledges that she has been fully advised of her right to a hearing
4 (and to present evidence and call witnesses therein) and she knowingly and voluntarily waives any
5 and all rights to a hearing before the Commission and all other rights otherwise available under
6 Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondent
7 acknowledges that this Order constitutes a valid, final order of the Commission.

8 2. Respondent knowingly and voluntarily waives any right under Article 12 of the
9 Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief
10 resulting from the entry of this Order.

11 3. Respondent acknowledges and agrees that this Order is entered into freely and
12 voluntarily and that no promise was made or coercion used to induce such entry.

13 4. Respondent acknowledges that she has been represented by an attorney in this
14 matter, that she has reviewed this Order with her attorney Greg R. Davis of Davis Limited, and
15 that she understands all of the terms it contains.

16 5. Respondent neither admits nor denies the Findings of Fact and Conclusions of Law
17 contained in this Order. Respondent agrees that she shall not contest the validity of the Findings of
18 Fact and Conclusions of Law contained in this Order in any present or future administrative
19 proceeding before the Commission or any other state agency concerning the denial or issuance of
20 any license or registration required by the state to engage in the practice of any business or
21 profession.

22 6. By consenting to the entry of this Order, Respondent agrees not to take any action
23 or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding
24 of Fact or Conclusion of Law in this Order or creating the impression that this Order is without
25 factual basis. Respondent will undertake steps necessary to assure that all of her agents and
26 employees understand and comply with this agreement.

1 7. While this Order settles this administrative matter between Respondent and the
2 Commission, Respondent understands that this Order does not preclude the Commission from
3 instituting other administrative or civil proceedings based on violations that are not addressed by
4 this Order.

5 8. Respondent understands that this Order does not preclude the Commission from
6 referring this matter to any governmental agency for administrative, civil, or criminal proceedings
7 that may be related to the matters addressed by this Order.

8 9. Respondent understands that this Order does not preclude any other agency or
9 officer of the state of Arizona or its subdivisions from instituting administrative, civil, or criminal
10 proceedings that may be related to matters addressed by this Order.

11 10. Respondent acknowledges that HERNDON entered into a criminal Plea Agreement
12 with the State of Arizona in Case No. CR2008-006148-001DT, Superior Court of Arizona –
13 Maricopa County based on facts and conduct arising from matters addressed by the HERNDON
14 ORDER.

15 11. Respondent acknowledges that any restitution or penalties imposed by this Order
16 are obligations of both HERNDON and the marital community.

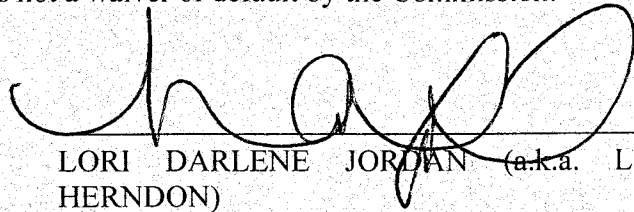
17 12. Respondent consents to the entry of this Order and agrees to be fully bound by its
18 terms and conditions.

19 13. Respondent acknowledges and understands that, if she fails to comply with the
20 provisions of the Order and this consent, the Commission may bring further legal proceedings
21 against the marital community, including application to the superior court for an order of
22 contempt.

23 14. Respondent understands that default shall render the marital community liable to
24 the Commission for its costs of collection and interest at the maximum legal rate.

25 15. Respondent agrees and understands that, if she fails to make any payment as
26 required in the Order, any outstanding balance shall be in default and shall be immediately due and

1 payable without notice or demand. Respondent agrees and understands that acceptance of any
2 partial or late payment by the Commission is not a waiver of default by the Commission.

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4 
5 LORI DARLENE JORDAN (a.k.a. LORI
HERNDON)

6
7 STATE OF ARIZONA)
8) ss
9 County of Maricopa)

10 SUBSCRIBED AND SWORN TO BEFORE me this 2 day of June, 2008.

11 
12 NOTARY PUBLIC

13 My commission expires:

14 7-19-2011

